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IN THE

Supreme Court of the United States

OCTOBER TERM, 1963.

No. 976

JOHNSON & JOHNSON,

Petitioner,

vs.

THE KENDALL COMPANY,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

Petitioner, Johnson & Johnson, respectfully petitions for a writ of certiorari to the United States Court of Appeals for the Seventh Circuit in this case.

OPINIONS BELOW.

The opinion of the Court of Appeals (Appendix A, *infra*, pp. i-xi) is reported in 327 F. 2d 391.

The opinion of the District Court for the Northern District of Illinois is reported in 215 F. Supp. 124, and certain of its findings of fact entered pursuant to Rule 52(a) F. R. C. P. pertinent to the question presented by this petition are annexed hereto as Appendix C, *infra*, pp. xiii-xxix.

The conflicting opinion of the District Court for the Southern District of New York in *Johnson & Johnson* v. *C. B. Stenvall, Inc.* (Appendix D, *infra*, pp. xxx-xlii), is reported in 193 F. Supp. 128.

JURISDICTION.

The judgment of the Court of Appeals was entered on January 22, 1964 (Appendix B, *infra*, p. xii). A petition for rehearing and a motion in the nature of a suggestion that the petition be considered *en banc* by the Court of Appeals were denied on February 28, 1964. The mandate of the Court of Appeals has been stayed to April 8, 1964, to permit the filing of this petition.

The jurisdiction of this Court is invoked under 28 U. S. C. § 1254(1).

QUESTION PRESENTED.

Whether the Federal Courts are empowered, as a matter of law and despite the words "obvious at the time the invention was made" in 35 U. S. C. § 103, to invalidate a patent for obviousness or lack of patentable invention on art which, although prior to the patentee's application filing date, is subsequent to the date of his actual invention.

STATUTE INVOLVED.

The provisions of Section 103 of the Patent Code of 1952 (35 U. S. C. § 103) are as follows:

> "§ 103. **Conditions for patentability; non-obvious subject matter**
>
> A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would

have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

STATEMENT OF THE CASE.

1. Petitioner sued respondent in the United States District Court for the Northern District of Illinois for alleged infringement of Gross patent No. 2,703,083, issued March 1, 1955, and entitled "Adhesive Bandage." The basis for federal jurisdiction in the District Court in the first instance was 28 U. S. C. § 1338(a).

2. The structural elements of the patented combination are (a) the backing, (b) the adhesive layer covering the backing, (c) the gauze pad or compress, and (d) the facing member, all assembled in a new and critical relationship controlled by four basic requirements set forth in the patent (*infra*, pp. xiv, xv-xvi). As pointed out in the patent, use of these requirements affords a "highly effective means for making immediately available the maximum adhesive property of the mass" (*infra*, p. xvii) to provide an adhesive bandage having instantaneous adhesion.

Prior to the patentee's invention, crinoline was the facing material universally employed in adhesive bandages (*infra*, pp. xiv, xv). This left a rough surface on the adhesive which it was commonly thought stuck better to the skin (*infra*, p. xv). However, such a bandage did not have instantaneous adhesion. The patentee's new bandage supplied this feature. Not only was he the first to teach the adhesive bandage art that a smooth pressure-sensitive adhesive would stick better to the skin than the rough surface left by crinoline, but also he was the first to show how this could be accomplished (*infra*, p. xvii). After the commercial introduction of petitioner's patented product

under petitioner's well-known trademark BAND-AID, substantially the entire industry adopted the patented structure, thereby abandoning the thirty-year old crinoline-faced bandage of the prior art (*infra*, p. xviii).

3. Petitioner's patent was first adjudicated in the United States District Court for the Southern District of New York in *Johnson & Johnson* v. *C. B. Stenvall, Inc.*, 193 F. Supp. 128 (S. D. N. Y. 1961). In holding claims 1, 2, 3, 9, 11 and 12 valid and infringed, the Honorable Gus J. Solomon[1] found that the patentee's invention had been made at least as early as January 1948[2] and said (*infra*, p. xxxix):

> "The differences between the Gross invention and the prior art were so significant that it cannot be said that the invention would have been obvious to a person having ordinary skill in the art."

This adjudication became final in the Second Circuit when, after a notice of appeal to the Court of Appeals of that Circuit, the defendant, C. B. Stenvall, Inc., negotiated a license under petitioner's patent and dismissed its appeal with prejudice (*infra*, pp. xviii-xix).

4. The trial in the case at bar was conducted by the Honorable Edwin A. Robson, who also found petitioner's patent valid and infringed.[3] The patentee's actual date of

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1. Chief Judge of the United States District Court for the District of Oregon, sitting by special assignment.

2. This finding was based on the testimony of the patentee and a corroborating witness, the Court noting that its examination of the 1948 bandages showed that they possessed the qualities set out in a contemporary report and covered by the testimony of the witnesses (193 F. Supp. 132; *infra*, p. xxxvi).

3. In his detailed opinion and in findings of fact entered pursuant to Rule 52(a) F.R.C.P., Judge Robson held that the patented invention was not anticipated, had not been in prior public use, and was not invented by certain of respondent's employees as was contended by respondent on the basis of 35 U.S.C. § 102. (*infra*, pp. xix-xxiv). The defense of "obvious subject matter" under 35

(continued next page)

invention likewise being in issue, Judge Robson specifically found that conception occurred "early in 1945" and that in May, 1947 and again later in January and July 1948, adhesive bandages faced with cellulose acetate were successfully prepared and sterilized, and patent claims 1, 2, 9, 11, and 12 were thus reduced to practice (*infra*, pp. xxiv-xxvi).

5. Upon the basis of courtroom demonstrations of bandages actually made in 1947 and 1948, Judges Solomon and Robson, two independent triers of the facts, have held that the patentee perfected the four requirements of his invention with an efficient and satisfactory bandage at least as early as January 1948.[4] Both trial judges also held that the patentee never abandoned his invention (*infra*, pp. xxviii, xxxv.) and expressly excused the delay in commercial adoption and in filing the application for patent.

6. In the Court below, respondent abandoned the alleged defenses under 35 U. S. C. § 102 upon which it had relied in the District Court, and contended that Finding of Fact No. 16[5] was "clearly erroneous" and that peti-

U. S. C. § 103 was also expressly considered and rejected, Judge Robson saying (215 F. Supp. 143):

> "Had this been simply a matter of substitution of materials or use of equivalents some skilled researcher in the field would have suggested it."

4. As Judge Robson specifically found, "Gross examined these bandages at the time of their preparation and found that the facing was in intimate contact with the adhesive mass, was inert, and was releasable" (*infra*, p. xxvi); also, "the 1948 adhesive bandages embodied the teachings of the Gross patent" (*infra*, p. xxvii).

5. Finding of Fact No. 16 is as follows:

> "The improvement wrought by the Gross invention was not a change in degree. The change was from a bandage which did not have instantaneous adhesion to a bandage which did have such adhesion. Gross was the first to teach the art that a smooth pressure-sensitive adhesive surface would stick better to the skin than the rough pressure-sensitive adhesive surface

(continued next page)

tioner's patent was invalid for obviousness under 35 U. S. C. § 103.

The Court of Appeals (Circuit Judges Duffy, Schnackenberg and Swygert) did not attempt an independent examination of the evidence. Neither did it set aside assailed finding No. 16 as erroneous. Instead, the Court only considered the question of whether the District Court had applied the proper standard of invention as "a matter of law" (*infra*, p. ix). Without overturning, or even considering, the specific findings of the District Court as to the patentee's date of actual invention, the Court below invalidated petitioner's patent for lack of patentable invention in view of art which was admittedly post date of invention, saying (*infra*, p. ix):

> "We think the achievement of 'instantaneous adhesion' by the use of smooth facings was well known in the art and had been put to practical use by each of the parties to this suit in various of their commercial products. There was nothing unobvious, unexpected or surprising in Gross' teachings, after the log-jam had been broken by others."

The illustration used by the Court below to show that instantaneous adhesion by the use of smooth facings was well known and had been put to use by both parties was an industrial tape known as 281 which respondent sold commercially "beginning in 1949" (*infra*, p. v). A certain Cress bandage which first appeared on the market in 1950 (*infra*, p. viii) was also relied on to show that neither petitioner nor respondent was the first to introduce

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of the crinoline faced bandage. Gross was the first to show how this smooth adhesive surface could be obtained, namely, through the practice of the four principles of his invention. In view of the many previous unsuccessful attempts to solve the adhesion problem, Gross' accomplishment, in assembling old structural elements of an adhesive bandage in a new critical relationship to achieve instantaneous adhesion, was unobvious, unexpected, and surprising."

adhesive bandages having smooth continuous facings.[6] The alleged breaking of the "log-jam" referred to by the Court occurred in 1951-52 when "Mylar" and "Kodapak IV" films became available.[7]

The Court below thus evaluated the inventiveness of the patentee's contribution as of 1953, when the application for patent was filed, and for this purpose it relied on two products which did not reach the market until 1949 and 1950, long after the "time the invention was made" as fixed by express findings of fact which were neither challenged by respondent nor set aside by the Court.

The holding of invalidity for lack of invention is the sole basis for the Court's decision, there being no alternative or independent ground for the reversal of the District Court's judgment.

REASONS FOR GRANTING THE WRIT.

1. The decision of the Court of Appeals frustrates the explicit language of Section 103 of the Patent Act of 1952 by holding petitioner's patent invalid for obviousness while ignoring the "time the invention was made." This departure from the usual and accepted manner of exercis-

6. Both the 281 tape and the Cress bandage had been relied on by respondent as prior public uses under 35 U.S.C. § 102(b). They were expressly rejected as such in findings of the District Court (*infra*, pp. xix-xxii) which were neither discussed nor set aside by the Court of Appeals.

7. The use of such a time reference point especially emphasizes the disregard exhibited by the Court below toward the specific language of Section 103. The "Mylar" film facing of 1952, used commercially by petitioner in 1953, as found by the District Court, was a particular material "suitable for the practice of the invention previously made" by the patentee (*infra*, p. xxix). It was used temporarily and later petitioner started to use and continued to use "Kodapak IV" film which was an improved or triacetate form of cellulose acetate which the patentee had used in his 1947 and 1948 reductions to practice (*infra*, p. xxvi).

ing the appellate reviewing function, together with other factors justifying certiorari as hereafter mentioned, affords an important basis for review by this Court. The impact of this sort of handling of an appeal in patent litigation is not confined to the present case and is apt to have dangerous future consequences. Where a Court of Appeals does not set aside findings of fact made by the trier of the facts and, instead, elects to rule on patentability as a question of law, is it not circumscribed by the statute's time reference point and by factual determinations of the District Court? Or does it have such a freedom upon review that it may proceed to a disposition of the legal question on the basis of facts which are irrelevant, because too late, to the statutary problem under consideration?

2. The decision of the Court of Appeals involves an important question of statutory construction which has not been, but should be, settled by this Court. The narrow question has to do with the time as of which a determination of patentable invention shall be made and whether this time and no other must control. Are the words "obvious at the time the invention was made" in Section 103 of the Patent Act of 1952 a statutory command, or may the courts in patent cases base their rulings under this section on some other date selected by them—for example, as in the case at bar, the date of the filing of the patent application?

Prior to the Patent Act of 1952[8] the patent statutes contained no definition of invention. Section 103 was a new provision which was intended to codify the case law requirement of "invention" as a prerequisite to patentability. It paraphrases language often used in decisions of the courts and was added to the statute to obtain greater uni-

8. Act of July 19, 1952, c. 950, § 1, 66 Stat. 798.

formity and definiteness[9] and with the view that an explicit statement in the statute would have some stabilizing effect[10] both in the administration of the patent laws by the United States Patent Office and in the enforcement of issued patents in the courts.[11]

Section 103 therefore requires, in addition to the bars to patentability of Section 102, that the difference between the subject matter sought to be patented and the prior art must not be obvious at the time the invention was made. This is in sharp contrast to Section 102(b)[12] which bars the issuance of a patent, regardless of when the invention was actually made, if it "was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States." Instead of the application filing date and critical "more than one year" time period of Section 102(b), Section 103 uses as its time reference for the determination of obviousness the words "at the time the invention was made."

The decision of the Court of Appeals is plainly out of harmony with the letter and spirit of Section 103. The shocking error of the court lies in its use of 1949 and

9. H. R. 1923, 82d Congress, 2d Session 7 (1952).

10. Revision Notes, Appendix to H. R. 1923, p. 18.

11. The section was undoubtedly a response by the Congress to a proposal of a uniform standard of invention made by the National Patent Planning Commission (House Document No. 239, 78th Congress, 1st Session, pp. 5-6) in which it was stated *inter alia*, "A promising improvement would be for Congress, by legislative enactment, to lay down a reasonable, understandable test by which inventions shall be judged both from the standpoint of the grant of the patent and the validity of the patent thereafter."

12. This is the traditional "statutory bar" provision. It was based on 35 U.S.C., 1946 Ed. § 31 (R. S. 4886 [derived from Act July 8, 1870, c. 230, § 24, 16 Stat. 201] as amended (1) March 3, 1897, c. 391, § 1, 29 Stat. 692, (2) May 3, 1939, c. 312, § 1, 46 Stat. 376, (3) Aug. 5, 1939, c. 450, § 1, 53 Stat. 1212).

1950 vintage products to justify its conclusion that there was nothing "unobvious, unexpected or surprising" in the teachings of a patent which contained for its disclosure an invention conceived "early in 1945" and reduced to practice in 1947 and again in 1948. There are no compelling considerations which justify reading into Section 103 a construction obviously contrary to the precise words of the statute. Nor is there any basis, either in the legislative history or elsewhere, for considering either the date of the commercial adoption of an invention or the date of the filing of an application, as contrasted with the date of actual invention, as the time reference point for the determination of obviousness.

In view of the express findings that there was no abandonment and no intervening statutory bars, and that, following actual reduction to practice, there was diligence in commercializing the invention, petitioner was not disadvantaged by the delay until 1953 in the filing of its patent application (*International Tel. Mfg. Co.* v. *Kellogg Switchboard & Supply Co.*, 171 Fed. 651, 656 (7th Cir. 1909)), and this delay in nowise served to make the date of invention some date other than that expressly found by the trier of the facts. A reduction to practice need not be a commercial use. *Corona Cord Tire Co.* v. *Doran Chemical Co.*, 276 U. S. 358, 384 (1928). Neither is an inventor required to bring his device to the highest degree of perfection. *Telephone Cases*, 126 U. S. 1, 535, 536 (1887); *Hildreth* v. *Mastoras*, 257 U. S. 27, 34 (1921).

So far as counsel have been able to determine, in no previous petition for certiorari has this Court been asked to resolve the question now tendered which is concerned only with the true meaning and application of the time reference point employed in Section 103.

3. The decision of the Court of Appeals is in conflict with the decision of the Court of Customs and Patent Ap-

peals in *Application of Palmquist et al.*, 319 F. 2d 547 (C. C. P. A. 1963). In both cases the question was whether what is obvious to one of ordinary skill in an art is to be determined as of the "time when the invention was made," as specified in 35 U. S. C. § 103, or whether it is to be determined as of some later date, *i.e.*, the date of application.

In *Palmquist*, the Court said (p. 551):

> "We think both logic and reason require us to interpret the provisions of 35 U. S. C. § 103 in accordance with the legal principles which preceded and are codified in it. The principles established before 1952 required that the time as of which the determination of 'invention' was to be made was 'the time the invention was made.' They apply equally to the determination of obviousness under 35 U. S. C. § 103."

It was accordingly held that a treatise which had not been published prior to the date of invention could not be relied on to establish obviousness.[13]

In sharp contrast, the Court of Appeals in the case at bar has relied on products commercially introduced in 1949 and 1950 to establish obviousness of the subject matter of petitioner's patent. Although the express language of the statute and *Palmquist* were urged upon it, the Court below ignored both and used as its time reference point the date of the filing of the application in lieu of the date of actual invention of the patentee as fixed by express findings of fact entered pursuant to Rule 52(a) F. R. C. P.

There is much more involved than a mere apparent conflict between *Palmquist* and the case at bar. The question raised here is of the utmost importance in the administra-

13. Although published "more than one year prior to the date of the application for patent," the Van Boskirk reference was not a statutory bar under 35 U.S.C. § 102(b) because it did not *per se* describe the claimed invention (319 F. 2d 550).

tion and enforcement of the Patent Laws. It is incongruous that the United States Patent Office issue patents employing the *Palmquist* time reference point, *viz.*, the date of actual invention, and that the courts adjudicate those patents on the basis of another or different time reference point. For example, if the patent authorized by *Palmquist* were to come before the Court of Appeals for the Seventh Circuit, it would, if the present decision is allowed to stand, be invalidated upon the very Van Boskirk treatise over which the patent was granted. The Court of Appeals should be told that, in conformity with Section 103 and with the United States Patent Office rule as expressed in *Palmquist*, it must use the date of invention as the date when obviousness must be determined.

The need for uniformity in the application of Section 103 is clear. It is unfair to patentees and patent owners and contrary to the spirit of Section 103[14] to judge an application for patent by one yardstick and then judge the patent issued thereon by still another yardstick when it becomes involved in litigation.

4. There are conflicting final adjudications in different circuits as to the validity of petitioner's patent which are due primarily to diametrically opposed applications of Section 103. In the Second Circuit case, Judge Solomon cited and followed (*infra*, p. xi) the decision of Judge Learned Hand in *Reiner v. I. Leon Co.*, 285 F. 2d 501 (2 Cir. 1960), where it was said (p. 504):

> "... we do not see how such a standard [35 U. S. C. § 103] can be applied at all except by recourse to the earlier work in the art, and to the general history of the means available at the time. To judge on our own that this or that new assemblage of old factors was, or was not, 'obvious' is to substitute our ignorance for the acquaintance with the subject of those who were familiar with it."

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14. See footnote 11, *supra*, p. 9.

Giving effect to this objective test as of the date of actual invention, Judge Solomon found that the subject matter of the patent was unobvious. In direct contrast, the Court of Appeals for the Seventh Circuit relied on facts and products coming only *after* the date of actual invention.

Moreover, the conflicting adjudications have resulted from the refusal of the Court below (1) to respect the decision of Judge Solomon under the doctrine of comity apparently because he tried the *Stewart* case in a mere two days and (2) to obey the compulsion of Rule 52(a) F. R. C. P. as to Judge Robson's findings. There is no suggestion whatever that these findings are erroneous and, being based on live testimony and courtroom demonstrations, they were binding on the court of review. *Graver Mfg. Co.* v. *Linde Co.*, 336 U. S. 271, 274-75.

It is true that the *Stewart* decision was not reviewed by the Court of Appeals for the Second Circuit. However, that adjudication of petitioner's patent as being valid became final when the defendant dismissed its appeal in the Second Circuit Court of Appeals with prejudice. For all practical purposes, the Seventh Circuit holding that petitioner's patent is invalid is therefore in conflict with a final Second Circuit adjudication.[15]

In these circumstances and because of the importance of the statutory question involved, there is a substantial basis for review and this Court should settle the conflict as to petitioner's patent.

15. Traditionally, settlement of litigation is always encouraged, and hence, termination of the litigation over petitioner's patent in the Second Circuit was in one sense highly commendable. In another sense, however, and in the light of subsequent events, it would seem that petitioner actually prejudiced itself by entering into the settlement if it may not now rely on the Second Circuit adjudication as the basis for a conflict.

CONCLUSION.

For the foregoing reasons, the petition for a writ of certiorari should be granted.

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APPENDIX A.

IN THE UNITED STATES COURT OF APPEALS

For the Seventh Circuit.

No. 14227. September Term 1963 January Session 1964

JOHNSON & JOHNSON,
Plaintiff-Appellee,
v.
THE KENDALL COMPANY,
Defendant-Appellant.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

January 22, 1964.*

Before DUFFY, SCHNACKENBERG and SWYGERT, *Circuit Judges.*

DUFFY, *Circuit Judge.* This is a suit charging infringement of Gross Patent No. 2,703,083, relating to an "Adhesive Bandage." It was issued to plaintiff on March 1, 1955 as a continuation-in-part of earlier abandoned applications of Shelley and Gross filed respectively on June 25, 1953 and September 25, 1953. The complaint charging defendant with infringement was filed the same day the patent was issued.

Plaintiff, Johnson & Johnson, is a major producer of adhesive products including adhesive tape and adhesive bandages. The trademark of plaintiff's adhesive bandage is "BAND-AID." Defendant's Bauer & Black division, manufactures similar products, and its adhesive bandages are sold under its trademark "CURAD."

* As amended by order of February 6, 1964.

At the time of submission to the District Court, each side submitted proposed findings of fact and conclusions of law. At a later period, the District Court filed its opinion,[1] holding product claims 1, 2, 4, 5, 8, 9, 11 and 12 of the patent in suit were valid and infringed by defendant's adhesive bandages. The Court directed plaintiff to prepare and submit findings of fact, conclusions of law and judgment order consistent with the opinion. Plaintiff re-submitted the same proposed findings and conclusions as it had theretofore submitted with the exception that the findings last submitted had the references and headings deleted. The Court adopted these findings as submitted.

Adhesive bandages have been familiar household articles for thirty or more years. They consist of a piece of pressure-sensitive adhesive tape, to the central portion of which a small pad of gauze has been affixed. The adhesive consists of a backing or backing strip coated with an adhesive substance, which substance is usually referred to as the mass.

The surface of the gauze pad is protected prior to use by overlapping facing strips which are attached to the exposed adhesive-covered portions of the backing. These protective facing strips, which are removed prior to the use of the bandage, protect not only the gauze pad, but the adhesive surface as well. The bandages are enclosed in individual envelopes in which they are sealed and sterilized.

In spite of the fact that the patent in suit is entitled "Adhesive Bandage," it is not concerned with the material of which the backing is made, nor with the formulation of the adhesive mass. It is concerned with the nature of the facing strips which are used to protect the adhesive surfaces and the gauze pad.

1. Published in 215 F. Supp. 124.

Prior to 1950, the backing strip of adhesive bandages was usually a white woven cloth which was substantially inextensible, the same as the backing strip of the surgical tape of that day. About 1951, both plaintiff and defendant began using extensible plastic strips instead of woven fabric. The bandages made from this plastic material conformed more readily to the irregularly shaped portions of the human body. Thereafter, extensible plastic backings became conventional.

Prior to about 1953, the protective removable facing strips were usually made of a loosely woven fabric called crinoline, which is a starched gauze. However, crinoline has been replaced on the commercial products of both parties to this suit by thin, smooth strips of synthetic plastic material, either in the form of thin, unsupported films, or thin films laminated to paper.

The patent in suit is concerned with that substitute of materials for facings and with the benefits which result from the use of such facings.

Certain basic requirements for a material to be used for facing strips flow from the function to be performed. One self-evident requirement is that the facing material should be readily removable from the adhesive surface when the user wishes to apply the bandage. Another such requirement is that the material be inert in the sense that it should not adversely affect the adhesive mass and other portions of the bandage with which it is in contact, especially when subjected to high heat in the process of sterilization.

As a facing material, crinoline possessed these qualities. It was chemically inert, was readily removable from the adhesive and was not expensive. There was a drawback to crinoline, however, because its rough and open-meshed texture became embedded to some extent in the adhesive surfaces to which it was applied, with the result that the adhesive surfaces, upon removal of the crinoline, were

somewhat rough. Because of this roughness, the initial contact of the adhesive mass with a portion of the body to which it was applied, involved only the high spots of the adhesive surface, and it was usually necessary to apply pressure in order to bring the full potential of the adhesive mass into play. Also, some of the crinoline's starch content sometimes transferred to the adhesive and masked portions of the adhesive surface resulting in reduction of adhesive ability of the bandage.

Both parties to this suit endeavored from time to time to find a more suitable facing material, and both looked for a material with continuous smooth surfaces.

The parties to this suit had been aware for years that the tackiness of an adhesive mass on initial contact was greatly enhanced by the use of a facing material having a surface which was smoother than crinoline.

The structural elements of an adhesive bandage are a) the backing, b) the adhesive layer covering the backing, c) the gauze pad or compress, and d) the facing which overlies the pad and adhesive to protect them until the bandage is used. Plaintiff claims the contribution made by Gross was to provide a bandage characterized by new and critical relationships between these structural elements.

The District Court found in the Gross bandage 1) the facing members have a smooth surface; 2) the facing members are in such intimate contact with the adhesive mass that they exclude air and impart to the adhesive the smooth surface characteristics of the facing members, and notwithstanding the intimacy of such contact and the conditions used to sterilize the bandage, the facing members are 3) inert with respect to the mass, and 4) releasable, that is, easily and cleanly removable from the adhesive without separating the adhesive from the backing and without impairing the smooth surface characteristics imparted to the adhesive by the facing. These relationships are described

in the Gross patent as the four basic requirements or principles of the invention.

As an illustration that both parties knew that a smoother adhesive surface which resulted from the use of a smooth-surfaced facing material, would give greater adhesiveness upon initial contact, defendant points to an industrial tape known as 281 which defendant had sold commercially beginning in 1949. This was a double surfaced tape where both sides were coated with adhesive. It was sold in roll form, a continuous smooth-surfaced strip of polyethylene film was interposed between each convolution of the tape so that when rolled under tension each of the two adhesive surfaces of the tape were firmly pressed against the interposed polyethylene facing sheet. On the unrolling of the tape and the removal of the facing sheet, the resulting smooth adhesive surfaces were possessed of superior adhesiveness on initial contact. In the testimony this was sometimes referred to as "quick-stick."

However, there is an important difference in the requirements of a facing material to be sold in roll form and adhesive tape to be incorporated into adhesive bandages. Tape sold in the form of adhesive bandages is required by law to be sterilized. The polyethylene which defendant used in the interleaved facing sheet in its 281 tape could not be used in adhesive bandages which were destined to be steam-sterilized. This material could not withstand the high temperature at which a steam-sterilization must be conducted. Thus, synthetic plastic materials which were available prior to 1951 were not satisfactory for adhesive bandages.

In 1951, du Pont developed a new synthetic plastic, technically a polyester of terephthalic acid and a dihydric alcohol such as ethylene glycol, which in fiber form became well known as Dacron. The same material in film form was sold under the du Pont trademark Mylar. This ma-

terial could withstand the high temperature involved in steam-sterilization. In September 1952, after much experimentation, plaintiff confirmed that Mylar promised the desired capabilities of surviving steam sterilization and with its lustrous film commended it for use in place of crinoline as a facing material.

In October 1952, someone in plaintiff's organization found that when he lightly laid one of the ends of an adhesive bandage which had been faced with Mylar paper laminate on a can in which adhesive bandages are usually sold, it would adhere so strongly that the can could be lifted.

In the spring of 1952, defendant found a Munising vinyl-coated facing survived steam-sterilization better than any previous material it had encountered. Using this material, it made a market test in the Chicago area in early March 1953. This was prior in time to the filing of the application for the patent in suit.

Plaintiff learned of defendant's market test. In May 1953, plaintiff came on the market with Mylar laminate facing bandages and with the knowledge that a material then available known as Kodapak IV, newly developed by Eastman Kodak Company, could also be used instead of Mylar, the latter being then in short supply. Mylar and Kodapak had in common that they were newly developed, and were capable of withstanding the high temperature involved in steam-sterilization.

In May 1953, when plaintiff first marketed its Mylar-faced bandage, defendant had not then decided to replace crinoline with a smoother facing material. At that time, plaintiff's sales of BAND-AIDS were about four times that of defendant's CURADS, and defendant was somewhat reluctant to abandon its product which had been well-advertised and much used in the past.

Thus, both parties to this suit acquired the capability of making satisfactory adhesive bandages with quick-stick

capability on a commercial basis. Plaintiff did so by obtaining access to Mylar and Kodapak IV, new materials developed by others to which plaintiff made no contribution. Defendant did so first by locating the Munising vinyl-coated paper and later, by acquiring equipment permitting low temperature gas sterilization. However, each of the parties to this suit were confronted with the practical question of whether they should adopt these new methods or to let well enough alone. The new materials were more expensive. Plaintiff's ultimate decision was greatly influenced by learning of defendant's test-marketing in Chicago. As the president of plaintiff put it, defendant's marketing "put the barr under our tails and caused us to move more rapidly than we might have otherwise."

Plaintiff's advertisements and demonstrations made wide and effective use of the can-lifting capabilities of the new BAND-AID bandages. Defendant deemed it necessary to offer to the public a product having similar can-lifting capability. In the summer of 1953, defendant followed plaintiff on the market with its steam-sterilized CURAD bandage faced with vinyl-coated paper.

Plaintiff claims that all of the defendant's accused adhesive bandages infringed claims 1, 2, 11 and 12 of the Gross patent; that defendant's vinyl-faced adhesive bandage also infringed claims 4 and 9, and that defendant's polyethylene-faced bandages also infringed claims 5 and 8. The District Court found that Gross patent claims 1, 2, 4, 5, 8, 9, 11 and 12 were infringed by defendant's adhesive bandages.

The District Court placed much reliance on the district court decision in *Johnson & Johnson* v. *C. B. Stenvall, Inc.* (S.D.N.Y.), 193 F. Supp. 128. Claims of the Gross patent in suit were in issue in that case. The Court there held that claims 1, 2, 3, 9, 11 and 12 of Gross Patent No. 2,703,083 were valid and infringed.

Defendant points out that the trial of the *Stenvall* case took less than two days, and claims that much of the pertinent prior art relied on in the instant case, which consumed nineteen trial days, was not before Judge Solomon who tried the *Stenvall* case. An appeal was taken in the *Stenvall* case, but a settlement was effected. Stenvall took out a license and the appeal was dismissed.

We think the District Court was in error in finding that defendant copied the plaintiff's patent. The patent in suit did not issue until March 1, 1955. This was nearly two years after defendant's product had been test-marketed.

Plaintiff's first smooth-faced bandages with facings of Mylar laminated to paper were marketed in May 1953. This was after some of plaintiff's officers had seen a bandage which defendant had test-marketed in the Chicago area, and in which the paper facings were impregnated with a vinyl plastic which produced a smooth surface.

Although the Mylar and Kodapak IV laminates used by plaintiff could be steam-sterilized, defendant's vinyl-coated paper was only marginal in this respect. Later, defendant replaced its vinyl-treated paper facings with an unsupported film of polyethylene which it had long used as a facing sheet in connection with its industrial adhesive tape 281. It could do this because it had installed equipment by which bandages could be sterilized by the carboxide gas process which operated at a lower temperature than sterilization by steam.

Neither plaintiff nor defendant was the first to utilize gas sterilization for adhesive bandages in the United States. Neither was first to introduce adhesive bandages having smooth continuous facings. In 1950, Cress bandages appeared on the market. These bandages had facing sheets of metal foil laminated to paper similar to wrappers for chewing gum and cigarette packages. The smooth surface of the metal foil facings smoothed the surface of the ad-

hesive portions of the bandage. Government records show shipments of Cress bandages into this country from Canada in February 1952. The testimony showed that plaintiff received some disquieting reports from their field men with reference to competition from the Cress bandages.

Bandages employing metal facings have all the attributes of the product of the Gross patent except that the Gross patent has the artificial limitation that the facing shall be of organic material. The Cress bandages were sterilized by the use of carboxide gas.

Defendant strongly urges lack of patentable invention on the basis of obviousness under Section 103. We, of course, have the right to determine whether the District Court applied the proper standard of invention. This is a matter of law reviewable by this Court. *New Products Corp.* v. *Outboard Marine & Mfg. Co.*, 7 Cir., 263 F. 2d 521, 525; *Armour & Co.* v. *Wilson & Co.*, 7 Cir., 274 F. 2d 143, 151-157.

The record clearly shows that the adoption of smooth facings in adhesive bandages awaited the development of materials such as Mylar and Kodapak IV which could withstand the high temperatures of steam sterilization, and also the development of equipment and techniques using gases such as carboxide, which made possible the sterilization of facing materials such as polyethylene at a lower temperature. Certain it is that Gross contributed nothing to either of these developments.

We think the achievement of "instantaneous adhesion" by the use of smooth facings was well known in the art and had been put to practical use by each of the parties to this suit in various of their commercial products. There was nothing unobvious, unexpected or surprising in Gross' teachings, after the log-jam had been broken by others. As was said in *Ruben Condenser Co.* v. *Aerovox Corp.*, 2 Cir., 77 F. 2d 266, 268, cert. den. 296 U. S. 623, 56 S. Ct. 145, 80

L. Ed. 443, ". . . ; if the machine or composition appears shortly after some obstacle to its creation, technical or economic, has been removed, we should scrutinize its success jealously; . . ."

In *Weston Electrical Instrument Corp.* v. *Dejur-Amsco Corp.*, 2 Cir., 133 F. 2d 778, 781, the Court considered that a portable exposure meter had been held up until the art had developed a self-generating "photo-electric cell" with enough power to move the indicating mechanism. The Court pointed out that two persons, in an interval of two or three years, thought of the expedient that was involved in that case. The Court held the patent invalid.

The case of *Glikin* v. *Smith*, 5 Cir., 269 F. 2d 641, is pertinent to the case at bar. In *Glikin*, the patent was on eyeglasses in which a hearing aid was incorporated in one of the side bows of the frame. The Court held the patent invalid, pointing out the development of transistors and other miniature components and not Smith's invention were responsible for the acceptance and commercial success of hearing-aid glasses. The Court said, 269 F. 2d at 654: "In this proceeding we see Smith as attempting to assert a patent monopoly over efficient and commercially successful hearing aid eyeglasses which owe their efficiency and success to scientific advances with which Smith had nothing to do."

It is our view that plaintiff's attempt to assert a patent monopoly over adhesive bandages which owe their efficiency, as far as "quick-stick" is concerned, to scientific advances in new facing materials and sterilizing methods with which Gross had nothing to do, is analogous to the effort of the patentee in *Glikin* v. *Smith*. We hold that the claims of the patent in suit are invalid because of lack of patentable invention.

Defendant strongly urges that the patent in suit is invalid because it attempts to differentiate the facings with

which it is concerned from those of the prior art in terms of their ability to perform their intended function, rather than by reference to the physical structure or chemical characteristics which enable them to do so. Defendant argues that several of the "basic requirements" of the alleged invention are defined in the claims in the terms of their ability to achieve the desired result rather than in terms of the physical or chemical structure by which that result is achieved.

It is well established that claim elements may not be functional at the point of alleged novelty. *General Electric Co.* v. *Wabash Appliance Corp.*, 304 U. S. 364, 58 S. Ct. 899, 82 L. Ed. 1402. We consider this question raised by the defendant to be a close one. However, we rest our decision that the patent in suit is invalid on the reasons hereinbefore stated.

Defendant has also insisted that the patent, properly construed, is not infringed by its adhesive bandage. It insists that by the application of the final facing material, the surface of the mass is slightly roughened rather than smoothed by the application of the facing. Defendant argues that a smooth surface is not *imparted* to the adhesive surface by the application of the final facing, as is called for by each of the claims in suit.

In view of our holding of invalidity, we do not reach the question of infringement.

The complaint must be dismissed.

REVERSED.

APPENDIX B.

UNITED STATES COURT OF APPEALS,

For the Seventh Circuit,

Chicago 10, Illinois.

Wednesday, January 22, 1964.

Before:

Hon. F. Ryan Duffy, Circuit Judge,
Hon. Elmer J. Schnackenberg, Circuit Judge,
Hon. Luther M. Swygert, Circuit Judge.

JOHNSON & JOHNSON, *Plaintiff-Appellee*, vs. THE KENDALL COMPANY, *Defendant-Appellant*.	Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

No. 14227

This cause came on to be heard on the transcript of the record from the United States District Court for the Northern District of Illinois, Eastern Division, and was argued by counsel.

On consideration whereof, it is ordered and adjudged by this court that the judgment of the said District Court in this cause appealed from be, and the same is hereby, REVERSED, with costs, in accordance with the opinion of this court filed this day.

APPENDIX C.

Selected Pertinent Portions of the Findings of Fact Entered on March 14, 1933 by District Judge Edwin A. Robson.

IN THE UNITED STATES DISTRICT COURT,

Northern District of Illinois,

Eastern Division.

JOHNSON & JOHNSON, a corporation, *Plaintiff*,

vs.

THE KENDALL COMPANY, a corporation, *Defendant*.

No. 55 C 336

I. FINDINGS OF FACT.

The Court, having considered the pleadings, having heard the testimony of the witnesses, having examined and considered the depositions and exhibits offered and received in evidence, having considered the briefs of counsel, and having rendered its Decision on the Merits, makes the following findings of fact:

9. The general structure of an adhesive bandage comprises a backing, an adhesive layer covering the backing, an absorbent pad in the center of the backing and secured thereto by the adhesive, and protective coverings, called

facing members, removably attached to the adhesive areas and overlying the absorbent pad. Prior to the invention of the Gross patent the facing members were almost invariably composed of crinoline, which is a heavily starched and dried gauze.

11. Plaintiff admits that in an adhesive bandage the structural elements of (a) the backing component, (b) the pad or compress, and (c) the adhesive mass were old. Plaintiff also admits that a smooth facing *per se* was old. The invention disclosed and claimed in the Gross patent is not merely an aggregation of these old elements, but consists of a novel adhesive bandage characterized by a new and critical inter-relationship between its component elements wherein

(1) the facing members have a smooth surface,

(2) the facing members are in such intimate contact with the adhesive mass that they exclude air and impart to the adhesive the smooth surface characteristics of the facing members, and notwithstanding the intimacy of such contact and the conditions used to sterilize the bandage, the facing members are

(3) inert with respect to the mass and

(4) releasable, that is, easily and cleanly removable from the adhesive without separating the adhesive from the backing and without impairing the smooth surface characteristics imparted to the adhesive by the facing.

12. A successful adhesive bandage must adhere readily to the skin; it must not leave adhesive on the skin when removed; and it must be sterile. From the manufacturer's standpoint it must be capable of efficient production on high speed machines and the bandage must not delaminate when the protective facings are removed. Delamination occurs when the adhesive does not stay on the bandage backing

but strips off with the protective facing as the latter is removed (PX 1, col. 1, l. 79, to col. 2, l. 10).

13. The problems of the industry prior to the Gross invention centered on the attempt to attain these bandage requirements and especially good initial adhesion to the skin. Workers in the field prior to Gross attacked these difficulties by changing the composition of the adhesive mass. In his patent Gross pointed out, however (col. 1, ll. 62-6), that adhesive formulations "basically represent precarious compromises between interrelated, often conflicting, and sometimes mutually exclusive requirements." Thus, a highly sticky adhesive might make the facing too difficult to remove, might make removal of the bandage painful, and might leave adhesive on the skin (col. 1, ll. 69-78). The use of such a sticky adhesive also was troublesome for the manufacturer because the adhesive areas of the bandage before its complete assembly would tend to adhere to the bandage-making machinery (col. 2, ll. 1-3). One way to increase adhesion was to make the mass softer, but this often resulted in other problems for the manufacturer because the adhesive tended to flow into areas not intended to be covered, especially at the elevated temperatures necessary for sterilization (col. 2, ll. 3-10).

14. The crinoline facing which was almost universally employed in adhesive bandages prior to the Gross invention left a rough surface on the adhesive which it was commonly thought stuck better to the skin. However, the crinoline faced bandage did not have initial or instantaneous adhesion to the skin. The crinoline faced bandage would stick satisfactorily only if the consumer applied pressure for a perceptible period of time.

15. Gross solved the problem of instantaneous adhesion without reference to changes in adhesive formulations but instead by developing a bandage having the new and critical

interrelationship of components set forth in Finding No. 11 and which are more fully explained in the patent specification as follows (col. 3, l. 40, to col. 4, l. 3):

> "Firstly, the film should present a surface that is smooth and continuous. Ordinarily, this means that the film will be imperforate and also that it will exhibit a lustrous, glossy, or shiny appearance when viewed slantwise against a source of light. There are, of course, varying degrees of light reflectance, and a satisfactorily smooth film may have its surface treated in various ways known in the art so that its light reflectance is greatly reduced but its surface smoothness is not materially altered. As a rule of thumb, however, light reflectance provides a convenient test for selecting suitably smooth surfaces.
>
> "Secondly, the film should comprise an organic material that is substantially inert with respect to the mass used in forming the adhesive areas of the bandage. This means, for example, that the film should not contain substances that would react chemically with the adhesive mass, nor migratory ingredients, such as migratory plasticizers, that would migrate into the adhesive mass to a degree significantly to impair its adhesive properties.
>
> "Thirdly, the film must be brought into and maintained in intimate contact with its underlying adhesive coating over substantially the entire surface thereof, the intimacy of contact being sufficient substantially to exclude air pockets and impart to the underlying adhesive coating at its interface with the facing member, the smooth surface characteristics of the film. Ordinarily, this means that during manufacture the underlying adhesive coating by suitable means is brought into such intimate relationship with the overlying film that the [former] acquires and maintains to a substantial degree a correspondingly smooth, continuous surface, with no occluded air pockets separating the surface of the film from the surface of the mass. This may be attained, for example, by suitably increasing the pressure normally applied to the facing member

as it is positioned on the bandage; or it may be attained, or still further enhanced, by the time and temperature conditions used during chemical or steam sterilization of the finished product.

"Fourthly, the film should be releasable by the particular adhesive mass selected so that when the facing member is removed, the adhesive coating will not be separated from its backing and the smooth surface characteristics of the adhesive existing at the interface prior to its removal will remain substantially unimpaired. This may be attained, for example, by treating the organic film with certain 'release agents' to reduce its adhesion by the mass; or by modifying the mass formulation to decrease its adhesion to the film; or both."

As pointed out in the Gross patent (col. 4, ll. 17-20) use of the foregoing principles "affords a highly effective means for making immediately available the maximum adhesive property of the mass used in the adhesive bandage."

16. The improvement wrought by the Gross invention was not a change in degree. The change was from a bandage which did not have instantaneous adhesion to a bandage which did have such adhesion. Gross was the first to teach the art that a smooth pressure-sensitive adhesive surface would stick better to the skin than the rough pressure-sensitive adhesive surface of the crinoline faced bandage. Gross was the first to show how this smooth adhesive surface could be obtained, namely, through the practice of the four principles of his invention. In view of the many previous unsuccessful attempts to solve the adhesion problem, Gross' accomplishment, in assembling old structural elements of an adhesive bandage in a new critical relationship to achieve instantaneous adhesion, was unobvious, unexpected, and surprising.

17. The merit of the Gross invention has been acknowledged by the industry. Plaintiff introduced the Gross band-

age commercially in the spring of 1953. Shortly thereafter substantially the entire industry, including defendant, abandoned the crinoline faced bandage and adopted the structure of the Gross bandage in spite of a substantial increase in manufacturing cost.

18. Plaintiff's adhesive bandage sales increased from about $10,500,000.00 in 1953 to about $21,000,000.00 in 1960 (PX 14, p. 2). Plaintiff's advertising expense ranged from 27.4% of sales in 1953, when the product was first introduced, to 12.1% in 1960 (PX 14, pp. 1-2). These advertising expenses are not unusual and do not account for the increasing success of the Gross bandage. Increase in plaintiff's sales is not attributable to population growth, changes in marketing practices, other patents, or the adoption in 1951 by plaintiff and defendant of a plastic backing. It is due to the fact that the Gross invention made the most fundamental and important change in adhesive bandages and solved the biggest problem, which was the failure of the bandages to stick.

21. The Gross patent was before the Honorable Gus J. Solomon in *Johnson & Johnson* v. *C. B. Stenvall, Inc.*, in the United States District Court for the Southern District of New York. On April 8, 1961, prior to the trial in the present case, Judge Solomon rendered his decision, reported at 193 F. Supp. 128, holding claims 1, 2, 3, 9, 11, and 12 of the Gross patent valid and infringed by defendant Stenvall's manufacture and sale of an adhesive bandage having a cellulose triacetate facing. The transcript of proceedings in the *Stenvall* case is in evidence in this case as Defendant's Exhibit 178, and a certified copy of Judge Solomon's decision and final judgment have been filed with this Court.

22. There are more defenses and a more extensive record in the present case than in the case before Judge

Solomon. However, a number of issues were the same in both cases and a number of prior art patents relied on by this defendant were considered and rejected by Judge Solomon. This Court has carefully studied Judge Solomon's decision and is of the opinion that under the doctrine of comity, it is persuasive in the present case, especially on the issue of validity of the Gross patent.

23. On May 23, 1961, defendant Stenvall filed a notice of appeal from Judge Solomon's final judgment to the United States Court of Appeals for the Second Circuit. After the close of the trial in the case at bar defendant Stenvall negotiated a license under the Gross patent in suit, settled its liability for past infringement, and withdrew its appeal with prejudice (PX 185, 187), plaintiff paying the Master's fees. Several customers of Stenvall have also taken licenses under the Gross patent and have agreed to pay a royalty of 2% of the manufacturer's invoice value of the bandages (PX 186, 189, 190).

24. The terms of the Stenvall settlement and of the licenses accepted by its customers are not unreasonable and, together with the earlier license taken by Parke, Davis & Company (PX 17), are all persuasive as showing acquiescence in the validity of the Gross patent.

60. Not a single reference, primary or secondary, or any combination of such references, relied on by defendant, discloses or suggests the Gross invention, namely, an adhesive bandage wherein the relationships between the adhesive mass and its facing recited in the patent must be obtained and maintained in order to achieve instantaneous adhesion.

64. No. 281 tape was an industrial adhesive tape with a polyethylene interliner which defendant began to manufacture and sell in 1948. Defendant's researcher Doyle testified that he knew all about such tape when he and Elson

filed an application (PX 18) to patent defendant's accused polyethylene faced bandage. Doyle conceded that he and Elson swore in the application that its subject matter (defendant's bandage) had not been in prior public use. By the same token, No. 281 tape was not a prior public use as to the Gross patent. There is no evidence that the four principles of the Gross invention were embodied in this product or inherently present in it. This tape has no more effect on the validity of the Gross patent than the 1951 Calvert patent (No. 2,541,498, disclosing polyethylene interlined tape) which Judge Solomon held to be non-invalidating (193 F. Supp. 128, 133).

65. Defendant's cloth and Wet-Pruf roll tapes of the 1930's (DX 142; 145), by themselves or taken together with the Ziegler-Forssell letters (DX 141, pp. 1-2), do not prove that it was known either by defendant or in the art generally that smooth adhesive surfaces have greater tack or instantaneous adhesion than rough adhesive surfaces. Defendant's Exhibit 145 is Wet-Pruf tape with a smooth plastic coated backing. Page 1 of Defendant's Exhibit 141 shows that in 1938 defendant's salesmen questioned whether the Wet-Pruf product was adhesive enough, and page 2 (DX 141) shows that this tape was more tacky but less adhesive than regular cloth backed tape because different adhesive masses were used. Nothing in the exhibits shows that the smooth backing of the rolls of Wet-Pruf tape imparted instantaneous adhesion to the adhesive. Page 32 of Defendant's Exhibit 141 advertises Wet-Pruf as sticking instantly but the advertisement does not explain whether this was due to a very sticky mass or for some other reason. Defendant's Research Director, Ziegler, testified that he observed a difference in the surface characteristics of the adhesives on rolls of cloth and Wet-Pruf tapes the first time he ever saw them, or in 1925. Defendant's Works Manager, Hoey, testified that he knew in 1937 that this tape had

instantaneous adhesion. However, the conduct of these witnesses is wholly inconsistent with their testimony. Defendant made no commercial use of any such knowledge in adhesive bandages until 1953 after plaintiff's bandages embodying the Gross invention appeared on the market. These exhibits and the testimony of defendant's witnesses concerning the Wet-Pruf tape do not show that any aspect of the Gross invention was known, recognized, or in use by others before Gross.

66. No sterilized Cress bandages were produced which were made during the time period pertinent to the validity of the Gross patent. No physical, documentary, or oral evidence was proffered as to the relationship between the components of the Cress bandage except the deposition testimony of George Fuzak, a distributor, and the trial testimony of William Haak, a distributor of first aid supplies to industrial plants.

67. Fuzak testified that in the Cress bandages the metallic foil of the facing was "face to face" or "adjacent" or in "full contact" with the adhesive, but he could not otherwise characterize that contact and he did not know what metal was used in the facing. There is considerable conflict in Haak's testimony as to whether he even examined a Cress bandage during the critical period, and he could not recall the character of the facing on the bandage.

68. Both Fuzak and Haak described the 1952 Cress bandage by saying that it was like the 1957 bandage, Defendant's Exhibit 80, but the latter bandage is in poor condition. There is evidence that the adhesive of the Cress bandage became gummy or non-sticky, often came off when the facing was removed, and was not smooth and uniform (PX 44-B).

69. In October 1952 Fuzak wrote to Industrial Tape Corporation asking for suggestions and assistance, and in his letter stated (PX 44-C):

"We have been experiencing difficulty with the adhesive compound used on our bandages. We are interested in finding a pressure sensitive adhesive that will not delaminate and will withstand grease and oil."

This is strong confirmation of the evidence of the failure of the Cress bandage.

70. Heldmann, the manufacturer of Cress bandages, in 1951 took out United States patent No. 2,544,315 for an adhesive bandage having an aluminum foil facing. The facing in the patented bandage was not inert with respect to the adhesive, since one of its described functions was to release material which would react with the adhesive to prevent it from becoming too sticky (DX 115, Item 3, col. 2, ll. 49-55). The Heldmann patent cannot be considered anticipatory and moreover indicates that Heldmann was looking in the opposite direction from Gross.

71. The weight of the evidence is that the Cress bandage was not satisfactory, and it is not shown to have been a prior use or to have embodied prior knowledge of the Gross invention.

77. Defendant listed as alleged public uses of the subject matter of the Gross patent, in addition to the products discussed in Findings Nos. 62-76, the following: Johnson & Johnson Consumer Test Continuous Facing Bandages; Johnson & Johnson and Bauer and Black crinoline-faced bandages; Johnson & Johnson Holland cloth-faced back plasters; Industrial Tape Corporation P-50 polyethylene-faced tape, Mylar thermo-setting tape, and TEXCEL cellophane tape; SCOTCH cellophane tape of Minnesota Mining & Manufacturing Company; and W. H. Brady Company and The Avery Company labels; as well as normal adhesive bandage, tape, plaster and label making practices of plaintiff, defendant, Industrial Tape Corporation, W. H. Brady Company, and The Avery Company; and chemical steriliza-

tion practices of the Sterilon Corporation. While many of these are mentioned or referred to by defendant in its brief, none is relied upon as a public use *per se*. Whether these items be considered individually or together with all of the other material cited by defendant as relating to the alleged invalidity defenses, none of them has any effect as showing anticipation or lack of invention of the Gross patent in suit.

82. Defendant's continued use of the old crinoline facing on its commercial adhesive bandages until 1953 is persuasive evidence that defendant did not learn anything of the Gross invention from the prior patents, publications, or the products allegedly in public use, including defendant's No. 281, Wet-Pruf, and Double Seal tapes or the Cress bandages, or the experimental work done by defendant's researchers, including Doyle, Bowen, and Kemp. If defendant had known of the Gross invention or if the art had in any manner been taught the Gross invention, it is incredible that defendant would have waited until after the introduction of the Gross bandage to market its own product embodying the Gross invention. Defendant's own records show that upon the advent of the Gross bandage, defendant immediately began efforts to match it (PX 15, pp. 18-20, 26, 41). The contemporary appraisal by defendant's Canadian subsidiary of the infringing product (PX 15, p. 45) is also strongly persuasive of the fact that the invention of the Gross patent was unknown to the prior art.

83. Just as the Gross invention cannot be achieved merely by the use of smooth facings in an adhesive bandage, so the use in the prior art of a smooth facing or a smooth liner against an adhesive did not mean that that adhesive would have instantaneous adhesion when the facing or liner was removed. When defendant began its change from crinoline to smooth facings on the accused bandage, contemporary reports show that various produc-

tion problems arose and various machine changes were necessary (DX 191, pp. 26-8). Similarly, when plaintiff replaced crinoline with smooth facings applied according to the Gross invention, extensive changes and adjustments were made in the machinery and increased pressure was used to apply the new facing. The Gross invention was not inherent in prior art practices or in the products in use or on sale or described in patents or publications, as is best shown by the fact that none of the workers searching for a solution to the problem of effecting instantaneous adhesion learned of the invention in the prior art practices or products but that when Gross disclosed it, the industry quickly adopted it.

84. Plaintiff's witness Henry M. Richardson correctly stated that the Gross patent taught the art for the first time an adhesive bandage

> "'wherein the maximum adhesive property of the adhesive mass is made immediately available to effect instantaneous adhesion of the bandage by imparting to the adhesive mass a smooth continuous surface through the intimate contact of the mass with an inert and releasable facing material also presenting such a surface.'"

85. The adhesive bandage claimed in the claims in issue is novel, useful, and represents the exercise of invention. It was not obvious or within the skill of the art.

86. The testimony of William J. Gross and R. E. Grosjean establishes that Gross conceived of the subject matter of the invention of the patent in suit early in 1945. Thereafter Gross, who was responsible for laboratory research in surgical adhesives, devised and followed a program designed to reduce his invention to practice. To that end Gross assigned several individuals in plaintiff's employ to evaluate suitable smooth plastic or plastic-coated facing

materials for possible use in his invention. Gross personally conducted a number of these evaluations.

87. In May 1946 Gross directed the preparation of 300 adhesive bandages utilizing a facing of parchment paper, and while these bandages were very good, the appearance of craters in some of them after sterilization convinced Gross that better intimacy of contact was required. Gross' experience with parchment paper was incorporated in a May 1946 Progress Report (PX 32, p. 28) which was circulated to plaintiff's Chicago plant. This report prompted Ernest H. Robinson, Director of Quality Control at Chicago, in June 1946 to direct a successful experiment wherein a cellulose acetate paper laminated book cover material, in contact with BAND-AID adhesive mass, was subjected to sterilizing conditions. Defendant asserts that because of this experiment, Robinson must be considered the inventor of the subject matter of the patent in suit. This contention is refuted by contemporaneous documents and by the oral testimony of plaintiff's witnesses, including Robinson himself. Gross had evaluated coated and impregnated papers, including cellulose acetate as crinoline replacement materials prior to Robinson's June 1946 experiment (PX 32, p. 33). Robinson did not initiate the inventive idea; he merely tested a specific material, already known to Gross and within Gross' broad concept, for the ability of this particular specimen to stand up under sterilizing conditions.

88. During the remainder of 1946 and throughout 1947 Gross continued his evaluations. Contemporaneously, plaintiff's research department at Chicago used H. P. Smith cellulose acetate as a facing material and successfully prepared adhesive bandage samples faced with this material on May 21 and 22, 1947 (PX 32, pp. 48-9). Fred Haney, head of plaintiff's research and development department at Chicago, in recognition of Gross' inventorship, sent samples of these May 22, 1947, adhesive bandages to Gross for his

evaluation (PX 32, p. 51). Both Robinson and Gross testified that the adhesive mass of the majority of these bandages was smooth, tacky, and exhibited good releasability. Gross also testified that these bandages were better than those of May 1946 because of their greater ability to withstand sterilization. These adhesive bandages faced with a cellulose acetate laminate embodied the teachings of the patent in suit and entitle Gross to a date for his reduction to practice of May 22, 1947, as to claims 1, 2, 9, 11 and 12 in suit.

89. This initial reduction to practice was followed in November 1947 by another successful reduction to practice in Chicago of adhesive bandages faced with cellulose acetate, these bandages also being forwarded to Gross for examination. These bandages had a smooth, glossy and very tacky mass and embodied the teachings of the Gross patent in suit. Gross detailed his reactions to these bandages in a December 10, 1947, letter to Haney (PX 32, pp. 74-5) in which he emphasized that his previous experience had shown that paper products varied considerably and that several additional factors made it necessary to proceed with caution in the use of cellulose acetate in a commercial product where even 98% or 99% success was insufficient.

90. In January 1948 Gross requested plaintiff's adhesive bandage department to produce 300 adhesive bandages (PX 32, p. 79), and in July 1948 Gross' assistant, Benjamin B. Blackford, requested the preparation of 1200 adhesive bandages (PX 32, p. 95). Bandages were made according to these requests, they were faced with Dobeckmun cellulose acetate and were sterilized. Two boxes of bandages of these January and July 1948 runs are in evidence as Defendant's Exhibits 56 and 59, respectively. Gross examined these bandages at the time of their preparation and found that the facing was in intimate contact with the adhesive mass, was inert, and was releasable. Gross'

testimony was corroborated by Blackford. These 1948 adhesive bandages embodied the teachings of the Gross patent in suit and constitute additional reductions to practice.

91. On July 9, 1948, Blackford evaluated a plasticized polyvinyl chloride unsupported smooth film which was applied to adhesive bandages as a crinoline substitute (PX 32, p. 96). The bandages were sterilized and upon removal of the film yielded a smooth, glossy mass with excellent tack. The bandages produced by Blackford were not inoperative because of plasticizer migration resulting from the presence of excessive quantities of plasticizer in the film facings as contended by defendant. The vinyl film used by Blackford contained only 35% dioctyl phthalate plasticizer, which proportion did not cause migration against an adhesive comparable to the one employed by plaintiff in 1948. These bandages faced with a free, unsupported vinyl film and made under Gross' direction, constitute a successful reduction to practice of claims 4 and 8 in suit.

92. Pursuant to Gross' memorandum of August 26, 1949 (PX 32, p. 149), with regard to the status of polyethylene coated paper, Blackford on September 2, 1949 (PX 32, p. 151), reported to Gross that interest in polyethylene film as a facing material had been revived by continuous sterilization methods then under investigation and that samples of polyethylene film had been requested for evaluation (PX 32, p. 150). During September 6 to 9, 1949, Blackford evaluated adhesive bandages faced with a polyethylene paper laminate. On September 6, 1949, Blackford requested (PX 32, p. 152), and plaintiff's adhesive bandage department prepared, 600 unsterilized adhesive bandages faced with a polyethylene paper laminate. These bandages were chemically sterilized with formaldehyde (PX 32, p. 153) and stored in the laboratory oven for more than one year. Upon removal from the oven, the samples aged at

both 100° F. and 150° F. had a smooth, glossy and very tacky adhesive mass when the facings were removed. These 1949 bandages faced with a material containing a polyethylene resin constitute a reduction to practice of claim 5 in suit.

93. The 1947 and 1948 adhesive bandage runs demonstrated to Gross the utility of his invention. The attainment of the perfect commercial embodiment, however, was delayed by the fact that the quality of facing materials was not uniform (PX 32, pp. 70, 74, 130, 134) and by the reluctance of plaintiff's merchandising department to adopt the product commercially. Gross' repeated requests in 1948 for a test to evaluate the effectiveness of his invention in the hands of the consumer were finally rewarded by a test carried out in the spring of 1949. This test confirmed Gross' opinion of the effectiveness of his invention (PX 32, p. 135). The test was carefully restricted and was at all times effectively within plaintiff's control (DX 38). It was a permissible test of the operativeness of the invention and not an invalidating public use within the meaning of the patent statute (35 U. S. C. § 102(b)). Gross never abandoned his invention, and following his reduction to practice, exercised reasonable diligence in putting his invention to commercial use.

96. Since the evidence shows that Gross was the first to conceive and the first to reduce the invention to practice, Gross is the inventor of the subject matter of the patent in suit. It is true that other personnel in plaintiff's employ assisted Gross in reducing his invention to practice, but their aid thus rendered did not elevate them to the rank of inventors or co-inventors, nor did it alter Gross' status as the sole inventor.

99. Prior to trial, defendant gave notice that it intended to rely on the following persons, employees of the Bauer

& Black division of defendant, as having prior knowledge or as having made the invention prior to Gross: Doyle, Ziegler, Bowen, Hawkes, Hoey, Kemp, Lloyd, Webber, and Foreign. Defendant produced adhesive bandages said to have been made by Doyle on December 4, 1947, but the proof respecting these bandages (DX 205, 206) is subject to the same infirmities set forth in Findings Nos. 72 to 76. There is no credible evidence from which the Court can find that any of the above persons named by defendant had knowledge of the subject matter of the patent in suit or had made the invention prior to Gross.

111. Although the June and September 1953 Shelley and Gross joint applications and the January 1955 sole Gross application disclosed the basic Gross invention, the invention is best and most comprehensively elaborated in the January 4, 1955, application. The plaintiff, as assignee of the Gross patent, is entitled to an effective filing date of June 25, 1953.

112. Defendant attributes the Gross invention to Sellers and Blackford, who filed an application on March 27, 1953, disclosing an adhesive bandage with Mylar as the facing material. This application and the Shelley and Gross June 1953 application disclosed the basic Gross invention in virtually identical terms. In neither application, however, was the invention adequately claimed. The Sellers and Blackford application claimed only Mylar (high molecular weight polyester) facings, while the June 1953 application claimed only cellulose acetate facings. The fact that Sellers and Blackford were named in a patent application was due to a mistake on the part of plaintiff's patent solicitors. The record shows that Sellers and Blackford were working under Gross' direction and that their only contribution was their discovery that a particular material, Mylar, was suitable for the practice of the invention previously made by Gross.

APPENDIX D.

Opinion Rendered on April 8, 1961 by District Judge Gus J. Solomon.

UNITED STATES DISTRICT COURT,

Southern District of New York.

JOHNSON & JOHNSON, a corporation, *Plaintiff*, v. C. B. STENVALL, INC., a corporation, *Defendant*,	Civil Action No. 99-94 Opinion April 8, 1961

SOLOMON, *Judge:*

Plaintiff, Johnson & Johnson, filed an action for damages and an injunction against defendant C. B. Stenvall, Inc., claiming that defendant, by manufacturing and selling an adhesive bandage is infringing plaintiff's patent No. 2,703,083.

Defendant denies both validity and infringement. At the trial, it appeared that the accused bandage, although inferior to the patented one, was practically identical to it, and I therefore announced that if the patent was valid, it had been infringed. This opinion shall be confined therefore to the issue of validity.

Defendant asserts that the patent in suit is invalid because of prior public use and no invention.

(1)

Prior Public Use.

On June 25, 1953, Thomas H. Shelley and William J. Gross, two of plaintiff's employees, filed a patent application in which they claimed that they had jointly invented a new and useful adhesive bandage.

Adhesive bandages had been on the market for more than 25 years prior thereto. However, practically all of such bandages, in the surgical dressing field, used crinoline, a heavily starched and dried gauze, as the facing material. These bandages were only moderately satisfactory because they lacked sufficient adhesive qualities. In other words, many of them would not stick properly when applied to the user's skin. The invention claims to have solved this problem by providing for instantaneous adhesion, or "quick-stick", through the use of a smooth, glossy, inert and easily removable facing which was placed in intimate contact with the adhesive mass. It was asserted that such a facing would impart to the underlying adhesive mass a smooth and glossy surface even when subjected to sterilization conditions.

Prior to any Patent Office action on the merits of the claims, they withdrew their application in favor of another joint application dated September 25, 1953, which covered the same claims but in greater detail.

On November 17, 1954, the Patent Office allowed five of applicants' claims as to method and ten as to composition.

On January 4, 1955, Gross alone filed a third patent application concerning the same basic claims. He asserted that he was the sole inventor and requested the Patent Office to make his sole application a continuation-in-part of the prior joint application.

Shelley and Gross both filed affidavits in which they stated that at the time they filed their earlier applications, they believed they were the joint inventors, but that they later discovered that the invention covered by the claims allowed in the September, 1953, application were not their joint invention, but the sole invention of Gross.

Shelley disclaimed any status as inventor, singly or jointly, in the allowed claims and requested that his name be stricken from the two prior joint applications. The Patent Office granted his request and also granted Gross' request that his sole application be treated as a proper continuation-in-part of the two earlier joint ones.

In the meantime, Bauer & Black, a firm active in the surgical dressing field, was also working in this area. A Johnson & Johnson inter-office memorandum dated March 13, 1953, a full three months prior to the first Gross and Shelley application, reported that Bauer & Black was testing its conventional adhesive strip bandage, "Curad", with a smooth facing. The memorandum contained information that Bauer & Black was conducting a marketing research survey in a Chicago grocery store to determine consumers' preference between its "Curad" with the old crinoline facing and one with a new smooth facing.

At least since 1948, plaintiff's research department has been perfecting a bandage with a smooth facing, and the 1953 memorandum recommended that immediate steps be taken to market the product. Shortly thereafter, another memorandum urged that a patent application be filed as quickly as possible.

The Bauer & Black market survey is the basis for defendant's first defense against the patent's validity—that of prior public use.

Specifically, defendant contends that Gross' effective filing date is January 4, 1955, and that the patent is invalid

because of the public use by Bauer & Black more than one year prior to the filing date. 35 U. S. C. § 102(b).[1]

Defendant asserts that Gross is not entitled to an effective filing date of June 25, 1953, for the reasons that (a) he failed to meet the statutory requirement of 35 U. S. C. § 120 that the earlier application and the continuation application be filed "by the same inventor"; and (b) the affidavits submitted by Gross and Shelley in support of their petition to declare Gross the sole inventor failed to meet the specific requirements set forth in Rule 45(b) of the Rules of Practice of the Patent Office.

At the oral argument at the conclusion of the testimony, counsel for defendant also contended that the 1955 application failed to meet the requirement of 35 U.S.C. § 120, in that the invention described therein was not disclosed in either of the 1953 applications. In his written brief, filed several months thereafter, this ground was not mentioned. On the basis of the undisputed facts, this contention is so clearly without merit that I shall regard it as having been abandoned.

The issue as to the necessity for having the same inventor file both the earlier application and the continuation-in-part application in order to take advantage of the earlier filing date was considered and decided adversely to defendant's contention in *In re Roberts*, D.C. Cir. 1920, 263 Fed. 646, 647. The court there framed the issue as follows:

> "... [W]here it appears that a joint application has been filed through mistake or inadvertence, and without fraudulent intent, ... [is] the sole inventor, one of the joint applicants, ... estopped from taking any advantage of that application?"

1. "A person shall be entitled to a patent unless ... (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States ..."

The Patent Office had held that the sole applicant was a different entity from the joint applicants, and hence the sole application could not be considered in any circumstance as a continuation of the old one. The Court of Appeals reversed the Patent Office decision stating that since there was identity of subject matter, there was no reason for not permitting the elimination of one of the joint applicants to whom credit mistakenly had been given for the invention. The court held that in view of the fact that the amendment was proper, the filing of what in effect was a duplicate application by the actual sole inventor should have been regarded as a continuation of the former application.

I agree with the reasoning of the court in the *Roberts* case and reject defendant's contention that the earlier applications and the continuation-in-part application of Gross were not filed by the same inventor.

Defendant next asserts that Gross is not entitled to the earlier filing date because the affidavits supporting Gross's application that he be declared the sole inventor failed to meet the requirement that the ultimate facts be verified by tangible evidence. Rule 45, Rules of Practice of the Patent Office.

The defendant's reliance on *Application of Strain*, C.C.P.A. 1951, 187 F. 2d 737, 741, is misplaced. In that case, the Court of Customs and Patent Appeals affirmed the decision of the trial examiner, who held that a continuation-in-part application was insufficient because the supporting affidavit failed to set forth any of the essential facts upon which the contentions of error and mistake in the filing of the original joint application were based.

There, the court merely had to find that there was substantial evidence to support the trial examiner's ruling. Here, where the Patent Office held that the affidavits were

sufficient, this court, to reverse, would have to find that the ruling was arbitrary and capricious and that the strong presumption that the Patent Office does not violate its own rules had been overcome. *Scovill Mfg. Co.* v. *Radio Corporation of America* (D.C. S.D. N.Y. 1935), 9 F. Supp. 239, 243.

In addition, even if there were illegalities or irregularities committed in the procedure leading up to the issuance of the patent, in the absence of fraud they may not be made the subject of a collateral attack by a defendant in an infringement suit. *Mahn* v. *Harwood*, 112 U. S. 354 (1884); *Wayne Mfg. Co.* v. *Coffield Motor Washer Co.*, 8 Cir. 1915, 227 Fed. 987, 991; *Bettis* v. *Patterson-Ballagh Corp.*, D.C. S.D. Cal. 1936, 16 F. Supp. 455, 463. This is precisely what defendant is attempting to do here.

I find that the plaintiff, as assignee of the Gross patent, is entitled to an effective filing date of June 25, 1953, and that the defense of prior public use is without merit.

(2)

No Invention.

Defendant contends that the patent in suit was anticipated by the prior art, does not disclose any patentable invention over the prior art, and the disclosure is a mere substitution of materials which does not amount to invention.

a.

Defendant asserts that the patent in suit is invalid because there are three patents[2] which disclose the inven-

2. (1) Bauff U. S. Patent No. 2,721,550, issued October 25, 1955, upon an application filed June 1, 1954, which was a continuation of an application filed March 21, 1950.

(2) Pronio U. S. Patent No. 2,702,772, issued February 22, 1955, upon an application filed December 20, 1951.

(3) Huerre U. S. Patent No. 2,728,687, issued December 27, 1955, upon an application filed September 17, 1952.

tion, applications for which were filed prior to the date of the Gross invention. 35 U.S.C. § 102(e).[3] Defendant asserts that this is true even assuming that Gross is entitled to an effective filing date of June 25, 1953.

To meet this defense, plaintiff has elected to prove that Gross is entitled to a pre-filing date of invention.

The evidence disclosed that on January 13, 1948, Gross requested plaintiff's manufacturing department to produce a small quantity of adhesive bandages. In July, 1948, an additional quantity of adhesive bandages was produced. Gross testified that the bandages in both lots had smooth continuous cellulose acetate facing members. He further testified that he found that the facing members of these experimental bandages were inert with respect to the adhesive mass and that in most instances the facings were in intimate contact with it; that the facing member had good releaseability and that the adhesive quality had been remarkably enhanced. Gross' testimony was corroborated by his assistant, Benjamin Blackford. A progress report prepared by Gross, dated August 31, 1948, corroborates the testimony of both Gross and Blackford. In addition, I have examined the experimental bandages in both lots, and find that they possess the qualities contained in the progress report and in the testimony of Gross and Blackford. There was no contrary evidence.

Although a party seeking to establish a pre-filing date of invention must assume a heavy burden and the court "must be persuaded with a certainty which is seldom demanded elsewhere; quite as absolute as in a criminal case . . ."; *United Shoe Machine Corp.* v. *Brooklyn Wood Heel Corp.*, 2 Cir. 1935, 77 F. 2d 263, 264; *Bearings Co. of*

3. "A person shall be entitled to a patent unless . . . (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent."

America v. *D. P. Harris Hdw. & Mfg. Co.*, 2 Cir. 1924, 299 Fed. 782; I find that the evidence adduced here meets that high standard and establishes an invention date of 1948.

Defendant nevertheless contends that Gross cannot make use of the 1948 date, on the ground that he subsequently abandoned the invention. There is no merit to this contention. The testimony clearly shows that the period from 1948 to 1953 was not a period of inaction as defendant asserts, but was one of continuous activity, primarily centered around Gross' efforts to overcome certain technical objections of plaintiff's merchandising department. In addition, even if the defense of abandonment had merit, it was neither pleaded in the answer nor noticed in writing at least 30 days before the trial as required by 35 U.S.C. § 282, and therefore is not entitled to consideration. This defense must likewise fail.

b.

In connection with defendant's contention that the Gross invention was disclosed by publications issued and patents granted more than one year prior to Gross' effective filing date, defendant first relies on Cederroth, an abandoned Swedish patent application. There is no basis for this reliance. Applications which do not eventuate in patents do not constitute prior publication and are not part of the prior art. *White Cap Co.* v. *Owens Illinois Glass Co.*, 6 Cir. 1953, 203 F. 2d 694, cert. denied 346 U. S. 876 (1953).

Defendant next relies on some Cederroth circulars and eight patents. In my view, the Cederroth circulars and six of the patents which defendant alleges are anticipatory[4]

4. (a) Peck U. S. Patent No. 2,432,541, granted December 16, 1947.
(b) Britton British Patent No. 616,511, granted January 21, 1949.

do not require individual treatment. For example, the circulars and several of the patents deal with various types of facing materials to cover or protect bandage pads, labels, vulcanized rubber and other tacky bodies, from dust, dirt, fraying and from adhering to one another prior to use. Not one of them shows any appreciation of the problem sought to be solved by Cross, nor do they point the way towards such solution.

The patent upon which defendant most heavily relies is Donaldson No. 2,450,083, a file wrapper reference. Donaldson discloses the use of a specially impregnated paper for the protection of adhesive sheets of tape "when stored or when wound onto a spool" as a substitute for gauze or crinoline. The paper is "impregnated with a synthetic resin binding the lint fibres on the surface of the paper to the base thereof . . ." so that when the paper is removed from the adhesive surface, there will be no adherence of any particles of one material upon the other.

The other patent upon which defendant strongly relies is Sander—German patent No. 679,267. In Sander, the gauze facing on a bandage is impregnated with polyvinyl or polyacrylic products, to prevent the loss of adhesive material from the bandage, when the facing is being removed. In other words, the impregnation is done to preserve the adhesive and prevent its destruction or decomposition.

The patent states that the "impregnation . . . results in a smoothing out of the gauze." Neither Donaldson nor

(c) Morgan U. S. Patent No. 2,484,045, granted October 11, 1949.

(d) Dahlquist U. S. Patent No. 2,532,011, granted November 28, 1950.

(e) Calvert U. S. Patent No. 2,541,498, granted February 13, 1951.

(f) Reese U. S. Patent No. 2,583,341, granted January 22, 1952.

Sander necessarily requires that the facing have a smooth and continuous surface—the central ingredient of the Gross invention.

The testimony at the trial showed that gauze, when dipped in accordance with the teaching of the Sander patent, was not smooth and continuous. To make a smooth surface, it would be necessary to coat the fabric four times, a procedure neither suggested nor taught by Sander.

The testimony also revealed that when Gross attempted to use a paper lining under the Donaldson patent, he met with failure because the bandages delaminated after sterilization.

However, even if the gauze facing and paper linings had smooth and continuous surfaces, neither of these two prior art patents would have anticipated Gross because neither was intended nor designed to accomplish the function of Gross, *Topliff* v. *Topliff*, 145 U. S. 156, 161 (1892); neither would have suggested the patented idea to a person skilled in the art unless he were examining it for that purpose, *Cold Metal Process Co.* v. *Carnegie-Illinois Steel Corp.*, 3 Cir. 1939, 108 F. 2d 322, 333, cert. denied 309 U. S. 665 (1940); and neither contained within its four corners, adequate directions for practicing the Gross invention, *Dewey and Almy Chemical Co.* v. *Mimex Co.*, 2 Cir. 1942, 124 F. 2d 986, 989.

None of the prior art references, considered either individually or collectively, disclosed the Gross invention. Smooth, continuous facings of plastic materials were known in the art, but their use was confined to the pursuit of other and different results, and there was a total unawareness that such a facing could be employed under the conditions outlined in Gross to achieve greater, quicker and more satisfactory adhesiveness. The differences between the Gross invention and the prior art were so significant that

it cannot be said that the invention would have been obvious to a person having ordinary skill in the art. In fact, the great amount of research in which the industry had engaged for a number of years to obtain more satisfactory adhesiveness, the great impact that plaintiff's bandage had on the market, and its phenomenal commercial success amply justify the conclusion that the result achieved by Gross was both surprising and unexpected. *Reiner* v. *I. Leon Co.*, 2 Cir. 1960, 285 F. 2d 501.

c.

Finally, defendant claims that Gross merely substituted smooth films of organic materials for crinoline on the bandage facings and that the substitution of a modern material with known characteristics for another material does not amount to invention.

The substitution of one material for another ordinarily does not amount to invention. *Hotchkiss* v. *Greenwood*, 52 U. S. 248 (1850); *Dewey and Almy Chemical Co.* v. *Mimex Co.*, supra. However, substitutions have uniformly been held inventive in those cases in which the substitution solved a significant problem which prior efforts have failed to handle satisfactorily. *Smith* v. *Goodyear Dental Vulcanite Co.*, 93 U. S. 486, 496 (1876); *Perma-Fit Shoulder Pad Co.* v. *Best Made etc.*, 2 Cir. 1955, 218 F. 2d 747, 751.

The fact that the new substituted material had properties well known to the trade or even to the general public, or the fact that the substitution does not involve discovery or utilization of an unknown or unexpected property of the material is of no significance. *George Frost Co.* v. *Cohn*, 2 Cir. 1902, 119 Fed. 505; *Carbide & Carbon Chemicals Corporation* v. *Coe*, D.C. Cir. 1938, 102 F. 2d 236; *United Shoe Machinery Corporation* v. *E. H. Ferree Co.*, 2 Cir. 1933, 64 F. 2d 101.

For many years prior to the Gross invention, the surgical dressing industry was confronted with many problems in connection with sterile adhesive bandages sold to the general public. Consumers frequently co aplained that the bandages failed to stick quickly or sufficiently when applied to the skin.

Numerous attempts were made to solve this problem by increasing the adhesive power of the mass. These attempts proved unsuccessful and often resulted in greater problems. Higher adhesive powers of the mass made the bandages adhere to the skin so tenaciously that their removal was painful and left a sticky deposit on the user's skin. This attempted solution created problems of processing and manufacture, particularly in connection with sterilization and the lateral flow of the mass beyond those areas intended to be covered with adhesive.

In spite of the fact that crinoline facings were almost universally employed, no one prior to Gross found that the solution to the problem lay in changing the facing from crinoline—a rough starched gauze—to a smooth, inert, organic material. This was probably due to the widespread belief that the rough surface in the adhesive mass caused by the crinoline facing afforded greater opportunity for adhesion to the skin.

Gross found the solution to the problem by replacing the crinoline facing with a facing member of an organic material containing the following characteristics when applied in the following manner:

(1) The film should present a surface that is smooth and continuous.

(2) The film should comprise an organic material that is substantially inert with respect to the mass used in forming the adhesive areas of the bandage.

(3) The film must be brought into and maintained in such intimate contact with its underlying adhesive coating that air pockets will be excluded and there will be imparted to the underlying adhesive coating the smooth surface of the film.

(4) The film should have good releasability.

The Gross invention was much more than a mere substitution of materials. It was the solution of a significant problem which prior efforts had failed to handle satisfactorily.

Conclusion.

I find that:

1. United States Patent No. 2,703,083 (the Gross patent which had been assigned to plaintiff) is valid as to the claims in suit, namely, claims 1, 3, 3, 9, 11 and 12.

2. The defendant has infringed such claims.

3. The defendant is enjoined from further acts of infringement.

4. Plaintiff is entitled to an accounting for profits and damages.

5. Plaintiff's claim for attorney fees is disallowed.

6. The defendant's counterclaim for a declaratory judgment of invalidity and non-infringement is dismissed on the merits.

The foregoing opinion will serve in place of findings of fact and conclusions of law, in accordance with Rule 52(a) of the Federal Rules of Civil Procedure.

Settle decree.

Gus J. Solomon,
United States District Judge.

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1963

No. 976

JOHNSON & JOHNSON,

Petitioner,

vs.

THE KENDALL COMPANY,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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OCTOBER TERM, 1963

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vs.

THE KENDALL COMPANY,
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No. 976

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

This is an ordinary suit for alleged patent infringement in which the Court of Appeals for the Seventh Circuit correctly held plaintiff-petitioner's Gross patent No. 2,703,083, relating to an "adhesive bandage" to be invalid for lack of patentable invention. The opinion of the Court of Appeals is reported at 327 F. 2d 391. The District Court for the Northern District of Illinois had held the patent valid and infringed in an opinion reported at 215 F. Supp. 124.*

The Court of Appeals holding that the patent in suit is invalid for lack of invention does not present any unsettled or disputed question of law. There is no conflict with decisions of this Court or of any Court of Appeals. The case presents no question of general interest or public importance. There is no reason why this Court should grant certiorari.

Furthermore, not only is the decision that the patent is invalid entirely correct, but dismissal of the complaint

*Our references to the Court of Appeals opinion will be to the opinion as printed in Appendix A to the Petition, pp. i-xi. All emphasis in quoted matter has been supplied.

would be required in any event because of lack of infringement and functional claiming,—defenses that the Court of Appeals found it unnecessary to pass on in view of its decision of lack of invention.

Brief Statement of Facts

The relevant and determinative facts of the case, which are essentially undisputed, being based on documentary evidence and undisputed oral testimony, are correctly set forth in the Court of Appeals' opinion. The so-called "findings of fact" in the District Court, heavily relied on in plaintiff's petition, were submitted by plaintiff and adopted verbatim by the District Court and are largely argumentative and conclusory. In so far as they differ from the facts set forth by the Court of Appeals, these findings were necessarily rejected as clearly erroneous.

Adhesive bandages, with which the patent is concerned, have been familiar household articles for thirty years or more. Plaintiff-petitioner's product is marketed under its trade-mark "BAND-AID"; defendant's under its trade-mark "CURAD".

Such bandages consist of a short strip of adhesive tape to the center of which a small gauze pad is affixed. The gauze pad and the adhesive surface are protected prior to use by facing strips intended to be removed by the user immediately prior to applying the bandage to a wound. Each bandage is packed by the manufacturer in an individual envelope in which it is sealed and sterilized. As originally marketed, the removable facing strips were of crinoline, a starched gauze. As currently supplied, the facing strips on the products of both parties are of smooth surfaced plastic film. The patent is concerned with the substitution of smooth plastic film for the crinoline originally used for the protective facings.

The crinoline which was originally used had many virtues—being inexpensive, easily steam-sterilizable, inert to the adhesive and readily removable from it. It did have the minor disadvantage that because of its rough texture, when pressed into close contact with the adhesive surface, that surface was roughened, the roughness persisting upon removal of the facing. When this slightly roughened adhesive surface was brought into contact with a smooth surface to which it was to be applied, only the high spots of the adhesive would be involved in the initial contact, a perceptible interval of time and the application of some slight smoothing pressure being required to bring the non-protruding portions of the adhesive surface into effective contact with the user's skin. When the smooth-surfaced plastic facing strips currently used by both parties are removed, the adhesive surface which is thereby exposed is much smoother than the formerly conventional crinoline-roughened surface. When a bandage having such a smooth adhesive surface is brought into contact with the skin, every portion of the adhesive surface immediately participates in the contact and contributes to the overall adhesiveness. Thus a bandage using smooth facing strips has greater adhesiveness upon initial contact—greater "quick-stick", in the language of the case—than a bandage using the previously conventional crinoline facings.

Plaintiff's contention, successful in the District Court, was that prior to its invention, it was commonly supposed that a roughened adhesive surface would stick better to the skin than a smooth surface and therefore that plaintiff's patentee had done something unobvious in suggesting the use of a facing made of smooth material. The District Court adopted and acted on the argument presented to it by plaintiff that if it had been obvious to use smooth facing strips surely someone would have earlier applied such facings to their commercial product.

As the Court of Appeals understood and held, what actually happened was that, whatever the untutored person may have thought about the merits of a roughened adhesive surface, the knowledgeable employees of both parties were well aware long prior to the supposed invention of this patent, that greater adhesiveness upon initial contact could be and was achieved when the adhesive surface was smoothed by contact with a facing of smooth material, and this principle had been purposefully employed in various commercial products of each party. It followed that, as the Court of Appeals held (ix), "There was nothing unobvious, unexpected or surprising" in Gross' proposal to use such facings on an adhesive bandage.

The error into which the District Court had been led by plaintiff's argument that the use of smooth facings must have been unobvious because they were not earlier adopted was fully understood and exposed by the Court of Appeals. For, as that Court pointed out in its opinion, the adoption of smooth facings on adhesive bandages was delayed not by lack of knowledge of what the effect would be but by the absence of a supply of suitable materials. Among the requirements for a suitable facing material was the capability of being sterilized. The method of sterilization in general use at the time of this alleged invention (Gross was accorded a conception date in 1945 by the District Court) involved the use of steam at a high temperature. Most materials then available would not withstand the high temperature involved. Plaintiff's adoption of smooth facings on its commercial bandages was deferred from its "conception" in 1945, despite plaintiff's awareness of the principle involved, until May, 1953 and awaited the development by others (duPont and Eastman Kodak) of plastic materials in film form (Mylar and Kodapak IV) which would withstand the high temperatures involved in steam sterilization. Defendant's adoption of smooth fac-

ings on its adhesive bandages, also in 1953, initially involved the use of a vinyl-coated paper which, like Mylar and Kodapak IV, could withstand steam sterilization. Subsequently (early in 1954) defendant shifted to the same smooth facing material (polyethylene) which defendant had previously employed on its 281 industrial tape, a product not requiring sterilization. Defendant was enabled to use this material as facing on its sterilized adhesive bandages by the acquisition of equipment capable of sterilizing the product by exposure to gas (carboxide) at a lower temperature which polyethylene could stand.

The District Court had obviously been adversely influenced by its mistaken belief that defendant had learned about the advantage of smooth facings from plaintiff's patent or plaintiff's product. The Court of Appeals set this point right also, correctly pointing out that plaintiff did not introduce its smooth faced product *until after plaintiff had seen defendant's product*, which defendant had test-marketed in the Chicago area, where defendant's plant (Bauer & Black) is located. And, effectively disposing of any thought that defendant was taught by plaintiff's patent, plaintiff did not even file the first one of the succession of three applications on which the patent in suit was ultimately issued (in 1955) until after plaintiff had become aware of the test-marketing by defendant of its proposed new product with smooth facings.

The Reasons Asserted in the Petition for Granting a Writ are Not Presented by this Case

The petition lists as the "question presented":

> "Whether the Federal Courts are empowered, as a matter of law and despite the words 'obvious at the time the invention was made' in 35 U. S. C. § 103, to invalidate a patent for obviousness or lack of patentable invention on art which, although prior to the patentee's application filing date, is

subsequent to the date of his actual invention." (Petition, p. 2)

No such question is involved here.

The Court of Appeals stated in its opinion that "achievement of 'instantaneous adhesion' by the use of smooth facings was well-known in the art *and* had been put to practical use by each of the parties to this suit in *various* of their commercial products." (ix) Included among the "various products" in which defendant had put to practical use its knowledge that greater initial adhesiveness could be achieved by the use of smooth facing materials were two products which defendant had sold commercially prior to the earliest date ever claimed for Gross' alleged invention (1943). The earliest of these was a plastic backed tape sold as early as 1937 under the designation "Wet-Pruf". Contemporaneous (1939) records of the "tack value" (adhesiveness upon initial contact) of the smooth plastic backed tape showed values four or five times that of tape using the same adhesive but backed with ordinary cloth (IV 625, 626). (In tape which is sold in rolls the outer surface of the backing of each convolution of the tape serves as the facing for the adhesive surface of the next outer convolution. Smoothness imparted to the adhesive surface of one layer by its intimate contact with the smooth plastic backing of the next inner convolution is effective in producing "quick-stick" in precisely the same way as the smoothness produced by smooth facings on adhesive bandages.)

Another of the "various products" in which defendant's prior knowledge of this principle was put to practical use was a steam-sterilized surgical tape in which an interlining of Holland cloth was used between adjacent convolutions in preference to crinoline. This product was sold by defendant from 1938 to 1942. In a 1938 report, defend-

ant's employee Kemp characterized the Holland cloth of this tape (IV 617) as a material having "a highly calendered, smooth, glossy surface" and specifically stated that:

> *"The Holland cloth increases the apparent tack and adhesion due to the fact that a flat surface of pressure-sensitive mass results, rather than the pebbly surface which resulted from the crinoline."* (IV 618)

The District Court's Finding of Fact No. 63 (I 47) erroneously states

> ". . . there are no quantitative measurements in the Kemp report . . . for all that appears therein the increase in apparent tack which Kemp observed may have been slight and within the usual range of variation of adhesiveness . . ."

The Kemp report (IV 617) *does* include quantitative measurements. It includes a table (IV 620) which compares the tack of two tapes using identical mass formulations (68-68 mass), one faced with Holland cloth and the other with crinoline. It reports a tack of 60 after sterilizing the mass faced with Holland cloth, more than *six times* the value of 9.2 after sterilization reported for the same mass faced with crinoline.

The Court of Appeals did not refer specifically to either of these two clearly pre-Gross products, but they were included in the generality of its statement that the knowledge had been put to use in a variety of products.

The pre-Gross products just mentioned were referred to by defendant in its briefs and argument in the Court of Appeals, and its 281 tape, which used an interliner of polyethylene to achieve "quick-stick", was also referred to as a further example of the defendant's understanding and utilization of the principle involved which tended to con-

firm the conclusion to be drawn from the pre-Gross products and reports that there was nothing "unobvious, unexpected or surprising" in the Gross "teachings". It was entirely appropriate for defendant and the Court to have referred (v.) to this product as "an illustration" of the type of product which defendant had sold prior to Gross' alleged invention; it was particularly pertinent to refer to it because of the circumstance that the smooth facing which it employed was polyethylene, the very material which defendant later adopted for its adhesive bandages when it became possible to sterilize its bandages by a method which was non-destructive to the polyethylene.

Even though defendant's sale of 281 tape came after, rather than before, Gross' "conception" of his alleged invention in 1945, the fact that defendant purposefully used the smooth polyethylene for a facing long prior to the appearance of plaintiff's product on the market or the issuance of plaintiff's patent is another one of the historical facts which show how wrong the District Court had been in accepting plaintiff's contention that Gross had taught the world how "quick-stick" could be achieved.

Petitioner's complaint that the Court of Appeals erred by relying on the Cress bandages first sold in 1950 as proof of obviousness in 1945 is equally unfounded. There is nothing in the Court's opinion to support the contention that the Cress bandages played any such part in the Court's thinking. Actually, plaintiff had persuaded the District Court to enter findings which portrayed plaintiff as the first to introduce smooth faced adhesive bandages in the commercial market and that plaintiff's product had thereafter been copied widely by its competitors. This had been thought by the District Court to support its conclusion of patentability. In these circumstances, it was most pertinent for the Court of Appeals to point out that the District Court

had been wrong in this understanding and that in fact smooth faced adhesive bandages had been sold on the commercial market in this country by Cress before they were sold by either plaintiff or defendant.

In addition to serving the functions just pointed out, items such as the 281 tape and the Cress bandages show continued contemporaneous recognition and utilization of the knowledge that improved adhesiveness upon initial contact could be achieved by the use of smooth facings and emphasize lack of invention in the Gross patent under the doctrine of *Thomson Co. v. Ford Motor Co.*, 265 U. S. 445, 453 (1924), *Concrete Appliances Co. v. Gomery*, 269 U. S. 177, 185 (1925); *Graham v. Jeoffroy Mfg.*, 206 F. 2d 769, 771 (5 Cir. 1953), *Kay Patents Corp. v. Martin Supply Co.*, 202 F. 2d 47, 50-51 (4 Cir. 1953); and *Wilson Athletic G. Mfg. Co. v. Kennedy Sport. G. Mfg. Co.*, 233 F. 2d 280, 283 (3 Cir. 1956).

The ultimate question to be determined is whether the patented invention was obvious as of the date of the patentee's invention. But in considering this, the courts are not confined to evidence relating to the precise instant of time which a patentee may be able to establish as the instant in which he conceived the "invention"; events both before and after that time often throw light on what was and was not obvious at the time the invention was made. Independent, roughly contemporaneous though subsequent, conception by others has long been relied on as evidence of obviousness, as in the decisions cited above, and many others.

Contrary to petitioner's contentions, § 103 of the Patent Act of 1952 was not intended to, and did not, change the law so as to restrict the available evidence in considering obviousness.

The recent case, *Application of Palmquist et al*, 319 F. 2d 547 (CCPA 1963), relied on by petitioner, did not in-

tend or purport to overrule the long established principle that roughly contemporaneous art could be referred to in considering the question whether the patentee had made a patentable invention. It expressly acknowledges that "We think both logic and reason require us to interpret the provisions of 35 U. S. C. § 103 in accordance with the legal principles which preceded and are codified in it." (p. 551). Such legal principles included the legal principles established by *Thomson v. Ford* and the other cases cited above, as well as the Court of Customs and Patent Appeals own prior decision in *In re Wenzel*, 88 F. 2d 501 (CCPA 1937).

The *Palmquist* case was a special situation quite different from the facts of the present case and merely held that the Patent Office, in refusing to grant a patent, should not rely on a *secondary* reference with a date subsequent to the applicant's date of invention so as to make pertinent to applicant's invention other primary references which on their face did not have such pertinence. Nothing of that sort is involved here.

Petitioner asserts, as a further argument for review here, a conflict between the decision of the Court of Appeals here and an earlier District Court decision in the Southern District of New York—*Johnson & Johnson v. C. B. Stonwall, Inc.*, 193 F. Supp. 128.

The New York suit was brought by plaintiff against a small manufacturer, the trial lasted less than two days, and the appeal was dismissed following a settlement between the parties. Much of the most pertinent prior art relied on in the present case to invalidate the Gross patent was not before the judge in the New York suit. The Court of Appeals in the Second Circuit had no opportunity to pass on the decision in the New York case, and the decision by

the District Court in the New York case was thoroughly discussed and considered in the Seventh Circuit.

The prior District Court decision, rendered on inadequate evidence, furnishes no basis for a grant of a writ of certiorari here.

The petition should be denied.

Respectfully submitted,

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1963.

No. 976

JOHNSON & JOHNSON,

Petitioner,

vs.

THE KENDALL COMPANY,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

PETITIONER'S REPLY MEMORANDUM.

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THE GUNTHORP-WARREN PRINTING COMPANY, CHICAGO

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PETITIONER'S REPLY MEMORANDUM.

Improper liberties taken by respondent with the opinion below—designed to obscure the "Question Presented"—make this brief response necessary.

Respondent has rewritten the opinion of the Court of Appeals to include (a) a non-existent rejection of findings of the District Court "as clearly erroneous" (Respondent's Brief, p. 2), and (b) two of respondent's products alleged to antedate the actual invention of petitioner's patentee (R. Br. 6-7). Thus, conceding that the Court "did not refer specifically" to prior art which was fairly enough (prior to 1945) to support its invalidation of the Gross patent as obvious, respondent points to two of its own products (Wet Pruf and Double Seal) which allegedly

were early enough (1937-38) and which respondent says were intended to be included by the Court of Appeals "in the generality of its statement." However, since the District Court had expressly considered and rejected both items and the Court of Appeals chose to remain silent as to them, there is a strong presumption against respondent's assertions.* This is confirmed by the Court's statement that it was considering lack of invention as a "matter of law" (Petition, ix) and its reliance for this purpose upon 1949 and 1950 products.

1. Concerning the Wet Pruf product of 1937 now relied on by respondent (R. Br. 6), the District Court found (Petition, xxi):

> "These exhibits and the testimony of defendant's witnesses concerning the Wet Pruf tape do not show that any aspect of the Gross invention was known, recognized, or in use by others before Gross."

This tape was not discussed by the Court below. Its opinion does not examine the evidence relating to the product and the finding of fact of the District Court which disposed of it (Petition, xx-xxi) was left undisturbed.

2. Similarly, the Court below did not mention the Double Seal (Holland cloth) tape or the Kemp report of 1938 now discussed by respondent (R. Br. 6-7). Findings 62 and 63 relating to these items (Def. Appendix I, 46-47) were not set aside. Neither did the Court disturb Finding No. 82 which in part also referred to the Double Seal tape and the Kemp report and which held that respondent "did not learn anything of the Gross invention" either from its own product or the experimental work of Kemp (Petition, xxiii).

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*As only one unrelated "finding" was singled out as error (Petition, viii; see Respondent's Brief, p. 5), it is most incongruous for respondent to assert that other findings were "necessarily set aside."

The Kemp report was a *private* communication and not a part of the prior art. Kemp specifically rejected the use of his facing for adhesive bandages (Finding No. 63, Def. App. I, 47); and contrary to respondent's assertion that the product "was sold by defendant from 1938 to 1942" (R. Br. 6) the express undisturbed finding of fact was that defendant had not (Def. App. I, 46-47):

> "offered sufficient evidence from which it could be found that the Double Seal tape was actually sold or on sale in 1938-1942 as alleged."

3. Absent the facts and rulings improperly grafted on it by respondent, the opinion of the Court of Appeals squarely presents the specific question raised by the petition, and respondent's discussion (R. Br. 9) of the so-called contemporary inventor doctrine is completely beside the point. To the extent that this Court's decisions in *Thomson Spot Welder Co.* v. *Ford Motor Co.*, 265 U. S. 445, 453 (1924) and *Concrete Appliances Co.* v. *Gomery*, 269 U. S. 177, 185 (1925), rely on fact subsequent to the actual date of invention, they do so only for the purpose of buttressing a separate, early enough, basis for the holding of invalidity. These cases were cited in the respondent's brief in the Court of Appeals, but the rule they stand for was not invoked by the Court below because it was obviously inapplicable, there being nothing early enough (prior to 1945) on which the Court could rest its judgment of invalidity.

Moreover, the discussion at pages 9 and 10 of respondent's brief serves to emphasize the importance of the question of statutory construction tendered by the instant petition. Even if it were true, contrary to the fact, that the Court below reasoned as respondent has supposed, this Court, in view of the specific conflict in the circuits as to the validity of petitioner's patent, should settle the question of the true meaning and application of Section 103 in the light of *Thomson* and *Concrete*.

We respectfully submit that the writ prayed for should be granted.

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